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Vol. 24, No. 29 July 23, 1990

NEWS BRIEFS

Fla. association to sue over state drink surcharge

HOLLYWOOD, Fla. — The Florida Restaurant Association said it plans to file a lawsuit challenging a controversial new state law that forces restaurant and tavern operators to charge patrons a surcharge for every alcoholic drink they buy.

The group said the suit would allege that the tax is discriminatory and unconstitutional because it is levied on restaurants and taverns but not on liquor stores.

"Traditionally alcoholic beverage taxes are placed on all forms of the beverage industry, and this is the first time Florida has singled out the restaurant and bar industry," said Manny Mighdoll, FRA executive vice president.

Calif. lawmakers seek further cuts in business meal deduction

SACRAMENTO, Calif. — A proposal to cut the tax deductibility of business persons' restaurant expenditures has surfaced here in the California Legislature, which often sets an example for lawmakers in Congress and other states.

Under the initiative, California businesses would be able to deduct from their state taxes only 70 percent of expenditures for meals involving the entertaining of clients. The level has been 80 percent since 1986, when the write-off was lowered nationwide from 100 percent.

The industry has long feared that the U.S. government will slash the federal level to 70 percent or even 50 percent from the current 80-percent threshold in an attempt to generate much-needed revenues.

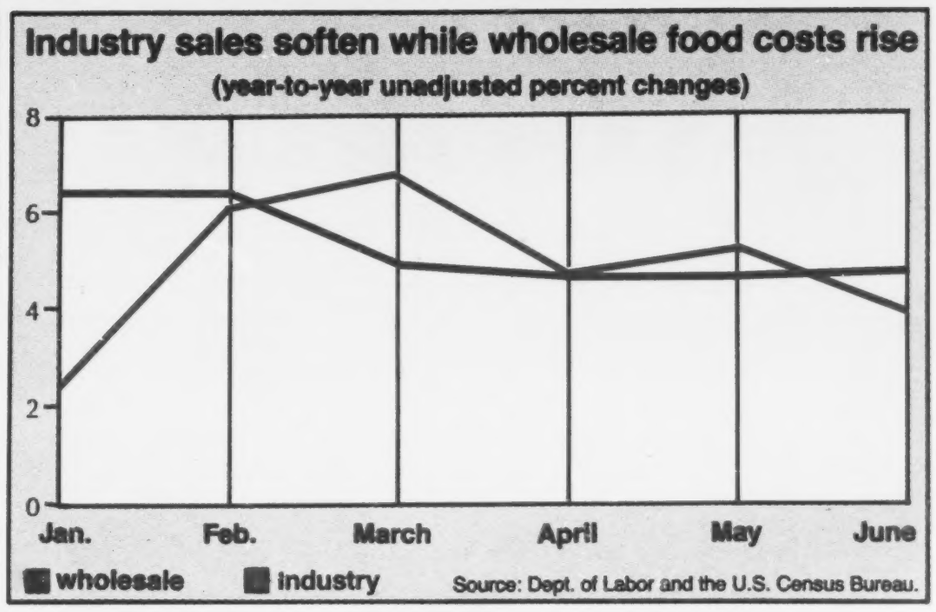
If the California proposal passes, a business based in the state would continue to deduct 80 percent of a business meal's cost from revenue amounts subject to federal taxes. But it could deduct only 70 percent from its state tax payments.

Government seeks new safety rules for deliverers

WASHINGTON — Pizzeria operators who fail to compel their delivery drivers to wear seat belts would be fined as much as $10,000 under driving-safety regulations being sought by the U.S. Department of Labor.

The fines would also be levied on delivery businesses that neglected to offer driver training programs.

The Labor Department has proposed a number of new safety regulations in an attempt to protect persons who drive or ride in cars in the performance of their jobs. The rules would be enforced by the Occupational Safety and Health Administration.



Industry sales slow; food costs rise in June

WASHINGTON — Led by increased pork prices, the costs of wholesale foods rose 5 percent in June — a slight easing overall — but sales at eating and drinking places rose at its second-slowest rate this year.

On an unadjusted basis, annualized sales growth at eating and drinking places slowed to 3.4 percent in June, down from 4.8 percent in May and a 1990 high of 6.5 percent in March, according to the U.S. Census' monthly retail sales report.

Meanwhile, the steadily increasing cost of pork is making it difficult for some restaurateurs to keep up. Pork prices rose 33.5 percent in June in year-to-year unadjusted comparisons, according to the Department of Labor's monthly producer price index, making it the single largest commodity food product in the agency's finished consumer foods category.

As has been the case since March, pork prices have been rising owing to a shortage of production and higher demand, primarily from overseas.

Between May and June, wholesale food prices declined two-tenths of a percent.

The 5-percent increase in wholesale food costs was the third-highest annual increase this year, behind February's unadjusted 6.3-percent rise.

Accor acquires Motel 6, bids for Divi Hotels

DALLAS — On the heels of striking a deal to acquire Motel 6, Accor S.A., the French hotel and restaurant conglomerate, is negotiating to buy the Divi Hotels chain.

Accor — which owns the luxury hotel chains Sofitel and Novotel — is seeking to buy Divi's resort hotel operations in the Caribbean, including its marketing division, trademarks and other assets, Divi said in a prepared statement. Divi would retain and continue to operate its time-share and casino businesses.

Meanwhile, Accor has agreed to acquire the no-frills 550-outlet Motel 6 chain for $1.3 billion, or $22.50 a share. The deal makes it the world's largest owner and operator of hotel rooms, with more than 160,000 suites worldwide and 850 hotels in 60 countries.

In addition to its sizable hotel portfolio, Accor operates 3,000 restaurants.

Accor's 1990 sales throughout the world are projected to top $4 billion with net income in excess of $150 million.

Motel 6, with 550 motels and more than $475 million in 1989 revenues, is best known for its folksy, homespun radio commercials by humorist Tom Bodett. The spots usually end with his trying to drum up business by telling would-be guests "and we'll leave the light on for you."

Mass. court disallows vote on packaging ban

BOSTON — In a favorable turn of events for Massachusetts' restaurant trade, the state's highest court has blocked a referendum vote on a proposal that would have banned all food containers except those that are reusable, recyclable or made from recovered materials.

Environmental groups had gathered more than 120,000 signatures to put the initiative on the November ballot. But the State Judicial Court ruled that the vote could not be allowed because one of the 10 original signatures was invalid.

To put an initiative on the ballot, proponents must first file a petition, which requires the signature of 10 voters. They must then gather a much greater number of signatures to demonstrate widespread support for the petition.

One of the 10 original signers of the recycling proposal never read what she endorsed, rendering the signature invalid, the court ruled.

The Massachusetts proposal is widely viewed as one of the most stringent recycling measures in the nation. The restaurant industry was among the many businesses that lobbied against it.

The court ruled on an action brought by the Committee for Responsible Waste Management, a business coalition.

FINANCIAL NEWS

Wendy's stock up; analysts wonder: 'Where's the Beef?'

by Peter O. Keegan

DUBLIN, Ohio — A summer heat wave has set Wendy's International Inc. stock on a surge, and analysts, investors and the company are at odds over what is fueling the frenzy.

With shares trading at a breakneck pace, takeover talk on the lips of investors, an upbeat analyst's recommendation and strong first-quarter operating results, Wendy's stock rose from a February low of $3.88 a share to a 52-week high of $7.50 recently, before easing back a bit.

Despite the resurgence, the value of Wendy's stock is still far less than the $16-per-share price it commanded several years ago.

Moreover, corporate insiders may be riding the bull, enhancing the stock's allure. In filings with the Securities and Exchange Commission, 17 Wendy's executives have bought a total of 119,100 shares, at about $4 to $4.88 a share.

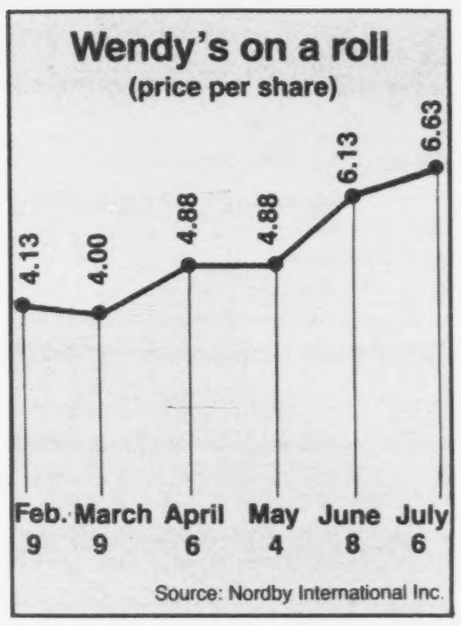
Initially, investors were buying shares because of the rumor that Pepsico was working a deal to acquire Wendy's, a rumor that recycles periodically and every time it does, Wall Street scoffs.

"It is highly unlikely that Pepsico would buy Wendy's," said Steven Rockwell, an analyst with Alex. Brown & Sons in Baltimore. "In this financial environment it would be practically impossible to finance such a deal."

While Rockwell attributed the surging interest in Wendy's to operational improvements, he cautioned that the company still has a way to go.

Rockwell says that Wendy's has "done a good job moving out of the pit," but he is concerned about whether the stock is correctly priced and whether operations improvements will continue.

In addition to the takeover rumors and stock purchases by insiders, Wendy's communications vice president Denny Lynch saw a number of other factors behind the stock price surge.



He felt that the fundamentals of the business have been steadily improving thanks to the fruition of new programs implanted by management. He also said that decentralizing authority, a better price-value perception by consumers, improved training and retention programs, increased store-level staffing and Wendy's franchise turnaround program have had a cumulative effect on company performance.

But an overriding catalyst — which had a definitive impact on the stock — was Shearson Lehman Hutton analyst Caroline Levy's recent buy recommendation.

Identifying improved operations and profits, a staff cut of 500, low debt and increased consumer ad awareness, Levy increased Wendy's earnings projections for 1990 and 1991.

She said a "slow, steady" turnaround was under way. She upgraded the stock, predicting that it would outperform the market estimates by 10 to 20 points for the short and long terms. She also increased 1990 earnings-per-share estimates from 30 cents to 35 cents and targeted 46 cents in earnings for 1991.

"The bottom line is that changes that Wendy's has made over the past three years have resulted in better margins," Levy noted. "But I think the stock people want to buy; they like Wendy's and want to believe that the company is turning around."

Operating costs have been reduced $22 million from the figure for the same period last year, and operating margins are up from 6.4 percent to 9.8 percent for the quarter. Operating income nearly tripled, to $3 million, compared with $814,000 for the same period a year ago.

In light of Wendy's track record over the past few years, many analysts remain skeptical about the future of the chain, especially its franchise problems, the fierce competition in the segment and relatively flat sales.

"The stock is more than fully priced," said Mike Mueller, an analyst with Montgomery Securities. "I think the stock should be sold."

Mueller went on to note that the company is doing a good job controlling costs and managing the business better, but he questioned its ability to sustain margin improvement at the unit level.

"Margin improvement is coming from couponing, not from demand," he said, adding that long-term earnings growth doesn't look good for 1991.

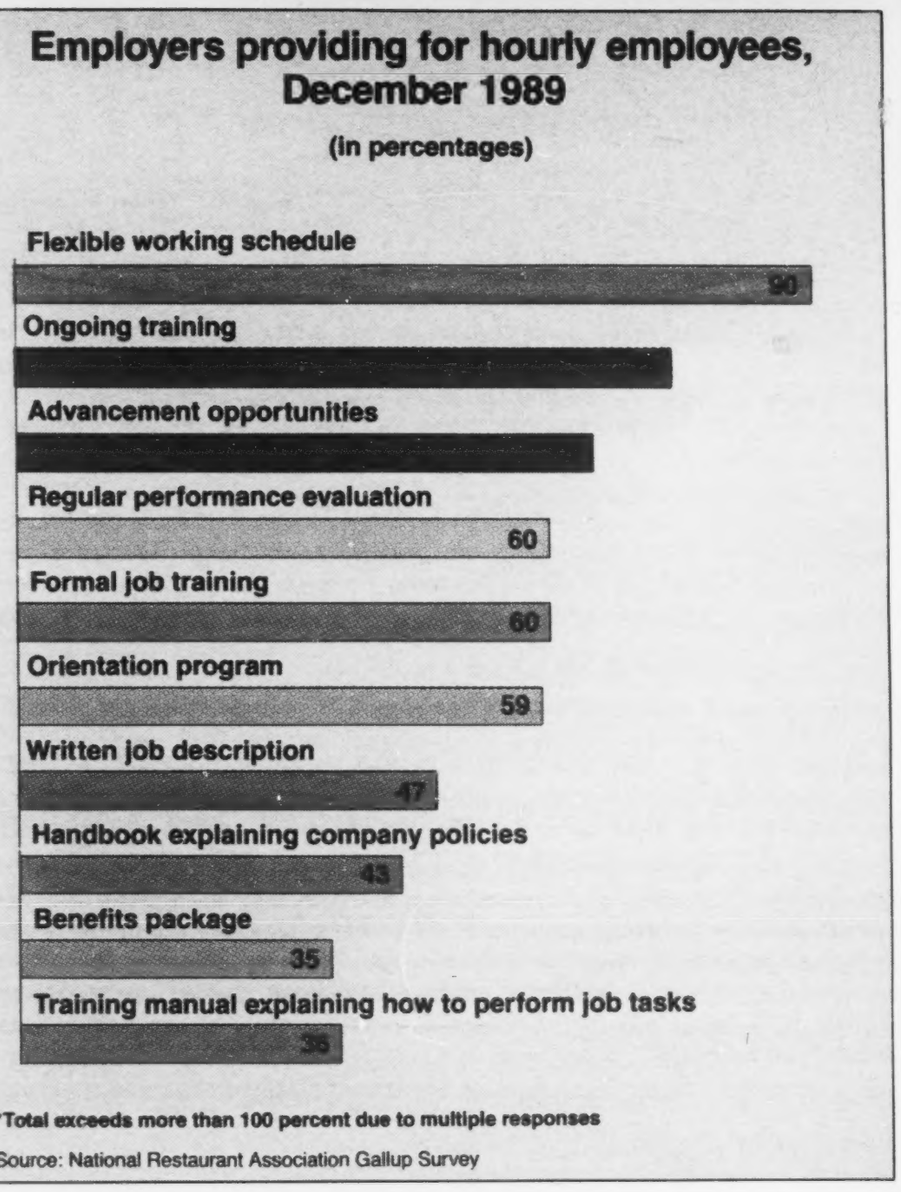
Mueller further stated that the SuperValue Menu has a good price-value ratio, which has been a stumbling block in the past, and has boosted operating performance.

"In the last quarter their perceived value has improved," said Alex. Brown's Rockwell, who added that the current stock price is inflated. He said that advertising recall by consumers has increased since Wendy's founder, Dave Thomas, began appearing in commercials.

Wendy's claims that the

(See WENDY'S, page 57)

FACT FILE



FINANCIAL DIGEST

Max & Erma's net falls 49%

COLUMBUS, Ohio — Max & Erma's second-quarter net income fell 49 percent, to $166,000, while revenues rose 21 percent, to $6.8 million, for the second quarter ended May 13.

Company executives attributed the earnings drop partly to difficult comparisons, noting that an extraordinary tax carryforward of $111,000 pushed year-ago net income to $328,000. Minus last year's extraordinary tax credit, profit was still 23 percent less in the most recent quarter.

For the 28-week period, revenues grew 21 percent, to $15.6 million, while net income, again contrasted with the year-ago tax gain, fell 34 percent, to $421,000.

Todd Barnum, chairman and chief executive of the 15-unit casual dining chain, said he did not think the second-quarter performance accurately reflected the growth mode and progress Max & Erma's has made. He said the company is in a state of transition, going from little or no growth to one that has increased its restaurants by 25 percent and revenues by 21 percent.

Nevertheless, Barnum noted that despite a 2-percent-to-3-percent increase in customer counts, profit margins at older restaurants have been slumping as labor costs rise from a change in the food-to-beverage sales mix. He explained that food costs have been climbing as alcohol sales decline.

Company buys 22 Church's restaurants

COLUMBIA, S.C. — Al Copeland Enterprises has sold 22 existing company-operated Church's Fried Chicken restaurants in South Carolina to Churpeyes Inc., a newly formed franchisee cpmpany.

Terms of the deal were not disclosed.

Leon Irons, president of Churpeyes and a former Perkins Family Restaurant executive, Bill Nesbitt, vice president of operations and a former Church's area director in Jacksonville Fla., and Robert Elmerick, financial officer and a certified public accountant from Santa Barbara, Calif., are the three principal owners of the new company.

Skyline Chili revenues flatten in 2nd Q

CINCINNATI — Poor weather and poor timing of promotions were the culprits Skyline Chili blamed for a 1.4-percent slump in second-quarter revenues, down to $4.1 million, even though earnings jumped 30 percent, to $137,000.

For the period ended May 13, the 28-week session's sales and net income were the exact opposite; revenues rose while earnings declined. During the half-year mark revenues rose 6 percent, to $10 million, while net income decreased 22 percent in relation to the year-ago period, to $234,000.

Skyline Chili, operator and franchisor of 79 restaurants specializing in Cincinnati-style chili, said it expects its profit picture to improve by the end of the year.

FOOD PRICE OUTLOOK

Lettuce prices continue to move up

by Patt Patterson

Iceberg lettuce prices have risen over the past weeks largely because of three factors. Demand has increased with the onset of warmer weather. California is now the major source, with New York the only other state producing commercial quantities. A tight truck situation has prevailed in several areas, including the central coast of California, now the country's major source for iceberg lettuce.

Prices of **romaine, red leaf, green leaf** and **butterhead** (Boston) **lettuces** are still at the low prices set earlier in the season. **Fresh broccoli** and **cauliflower** prices from the central coast area are also running below growers' costs.

Processing apples appear to be in shorter supply than normal. Michigan's crop alone is down by about 17 percent from last year's. That could push prices up for both sliced apples and apple sauce.

Red tart cherries are another crop below normal size. The **canned apricot** pack is scheduled to be the same size as last year's; prices should remain stable. Expect the **cling peach** pack to be close to last year's with a good ratio of larger-sized fruit and stable prices.

Midwest **peas, green beans** and **corn** are all behind in planting because of the heavy rains in June. With corn, the possibility of a curtailed harvest because of early frost is strong.

FOCUS

Cash and carry wholesalers pay off for small-order operators

These foodservice wholesalers are helping restaurateurs meet their needs for smaller, fill-in orders that cause large-volume distributors to shy away

by Jack Hayes

As the dust settles over a decade of mergers and buyouts in the turf-dominated world of wholesale foodservice, more and more restaurant operators are asking cash-and-carry warehouse chains to supply the one thing their distributors can no longer profitably deliver: same-day service on fill-in goods.

Or, for that matter, *any*day service on products that don't meet a minimum dollar or bulk quota.

"Distributors are saying it's impossible to make money on small-order deliveries," admits Gil Kretzer, executive director of the International Foodservice Distributors Association.

In fact, many distributors are opening, or already have opened, storefronts in their warehouses to provide cash-and-carry service.

But outlets solely dedicated to cash and carry — led by chain giants like 130-unit Sam's Wholesale Club and Los Angeles-based Smart & Final with 112 stores — are becoming a key supplement for operators who need emergency replenishment of food items, groceries, paper goods and other dining-room or kitchen products that run out between scheduled truck stops.

No longer a shopping place for just the mom-and-pop independent, cash-and-carry wholesalers are expanding beyond french-fry shortening and plasticware — into produce, frozen food, dairy, meat, baked goods and equipment — at no small cost to distributors who have been focusing on large orders and locked-in service schedules to maximize their efficiency.

"I've got the idea that distributors don't mind giving up their small business," says Roger Laverty III, president of Smart & Final, a chain that is expanding into Arizona from California and Nevada.

The problem — stemming from 10years of local turf battles and regional consolidation in the wholesale segment — follows a gradual dwindling of small and medium-sized distributors whose service was built to accommodate small orders quickly.

During the consolidation, national giants, on the one hand, and regional powers acquired, merged with or simply drove out many of the locals.

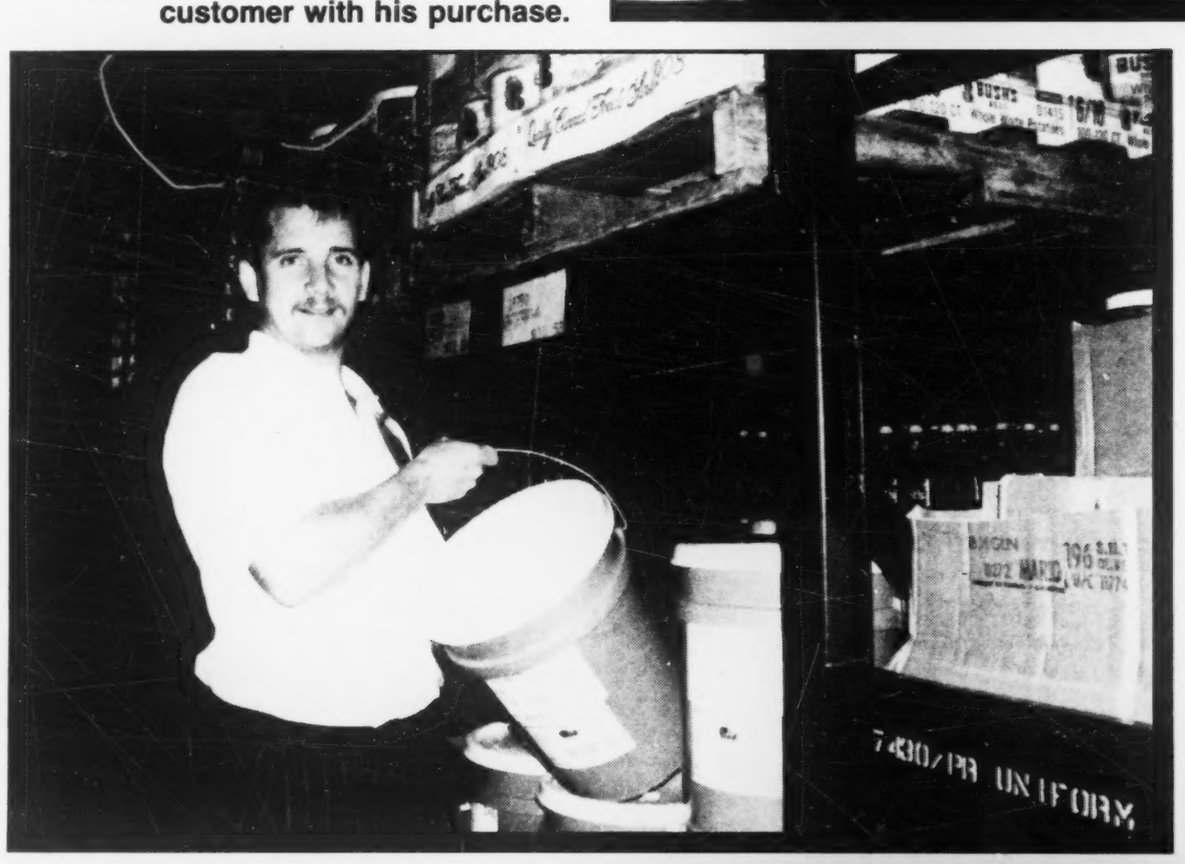
In the mature environment that remains, wholesalers have squared off with sharper prices and wider assortments, which is a definite plus. Nevertheless, operators are having to accept more "structured" levels of service, including programmed deliveries as well as quotas on many of their basic product orders.

As a result, cash-and-carry wholesalers are springing up like convenience stores along a highway stacked with shopping malls. And independent operators — including caterers, restaurateurs and contract feeders — are fast becoming their loyal clientele.

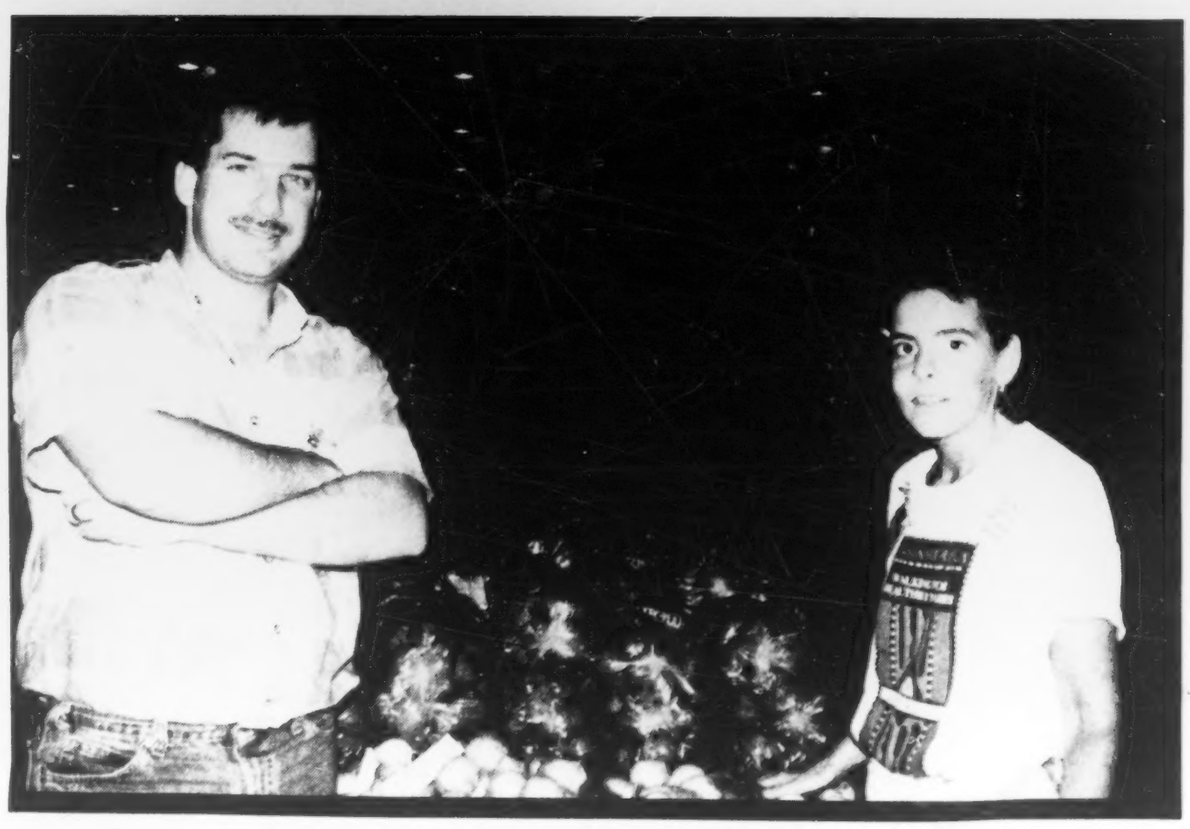
"If you included the Elks Clubs and the Little League concession stands, foodservice would be 70 percent of our business," adds Laverty of Smart & Fi-

(See CASH & CARRY, page 28)

A Smart & Final employee assists a customer with his purchase.



Leland Johnson, general manager of Sam's Wholesale Clubs in Marietta, Ga., shows off a 5-gallon bucket of Kosher dill pickles.



Chuck Smith, left, assistant warehouse director, and Mary Gasparini, warehouse director, Pace Membership Warehouse, Roswell, Ga., display the chain's fresh produce offerings.

FOCUS

Cash and carry wholesalers pay off

(Continued from page 27)

nal, who says grocery, frozen food and produce are his key growth areas.

While the average cash-and-carry chain today gets more like 30 percent of its business from foodservice, that share is expected to grow dramatically in the future. Meanwhile, cash and carry wholesalers are opening new stores at a record pace.

Costco Wholesale Club, a 62-unit warehouse chain based in Seattle and concentrated in the Northwest, will soon jump into Massachusetts, Connecticut and New York state, with its first store to open near Boston.

PACE Membership Warehouse, the 50-unit wholesale chain that K Mart bought late last year, is being merged with K Mart's Macro Inc. to create a 59-store PACE network that will span 16 states by early August.

BJ's Wholesale Club, a 24-unit warehouse chain based in Natick, Mass., is also spreading roots beyond its regional base, which reaches into the Southeast and the Midwest. New stores are being opened in Pennsylvania, Virginia, Illinois, Connecticut and New York.

The cash-and-carry chains, aware that the niche they now occupy has major growth potential, are fattening their assortments and their operating hours to make themselves even more important to foodservice customers.

"Our game plan is to do more with restaurants," declares Ben Capeloto, who buys produce for the 8-year-old Costco chain. "We've set up scratch bakeries and meat departments with larger packages. Two days a week we're opening early for them. We're enlarging where we can."

"Foodservice is a major part of our business; we're taking surveys now in every club to find out what we can add," claims T.J. Matheny, vice president and marketing director at BJ's, adding that frozen food is growing immensely.

The San Diego-based Price Co., each of whose 50 cash-and-carry warehouses averages $100 million per year, is packaging its own meat and selling case sizes of produce.

Restaurant and foodservice program buyer Bill Baker says his chain, like BJ's, is holding focus groups with restaurant members to find out their needs.

Product lines are being expanded at several Price Club warehouses, Baker claims. One of the hottest new lines is baked goods.

Cash-and-carry wholesalers are also stretching their hours for restaurant operators, setting special times aside for exclusive shopping. Managers say they can expedite rush orders, and some units are even making deliveries.

"If an operator calls ahead of time in an emergency, I'll try to have his order waiting," says Leland Johnson, a general manager at Sam's Wholesale Club in Marietta, Ga.

Some Smart & Final units are opening at 6 a.m. for operators. Typical patrons include one-unit pizzerias, Mexican dinner houses and catering trucks. Large independents and chain operators also show up but less frequently.

Meanwhile, not all distributors are willing to turn over cash-and-carry business to the wholesale clubs and chains.

Many are going after the lost sales with their own walk-in warehouses.

To name just one, Gordon Food Service, based in Grand Rapids, Mich., is operating 20 cash-and-carry locations around the Midwest as "customer service centers."

"It's growing well," says Gary Kortz, who is manager of Gordon's customer service division. "It's a necessary supplement to our distributor business.

Cash-and-carry chains are expanding assortments and operating hours to cater to foodservice.

We're expanding at a controlled rate. We intend to keep it alive."

Ranked among the top 10 foodservice distributors in the country, Gordon Food Service may be setting the groundwork for its wholesale peers.

"I believe we'll see more distributors going into cash and carry," predicts Kretzer of IFDA. "All things are leading toward it. I think it's a great move."

Yet Kortz says cash-and-carry volume is still just a fraction — less than 10 percent — of Gordon's total business, which now approaches $650 million.

"We're a c-store for the restaurants and a full-service supply center for the institutional accounts [part-time contract feeders and seasonal caterers] who are otherwise too small," Kortz explains.

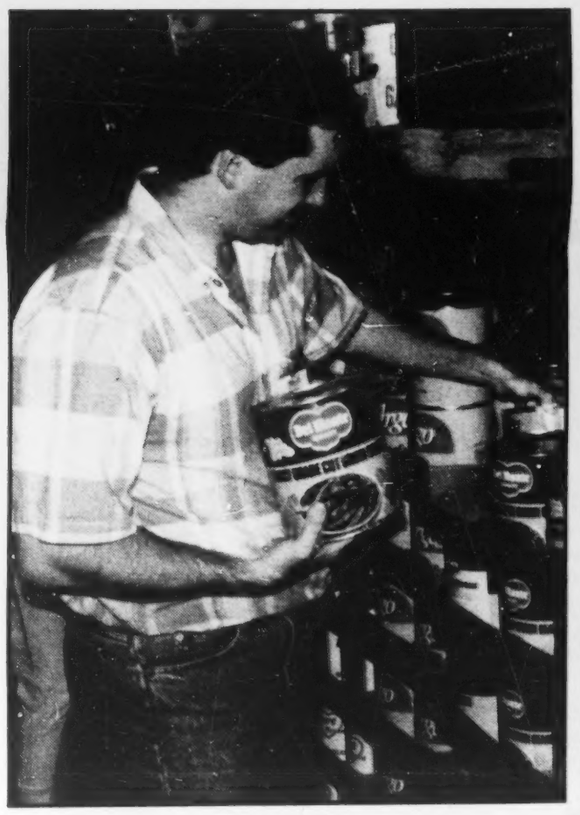
Even the National Association of Wholesaler-Distributors, an umbrella group linking distributor representatives from more than 100 industries, is acknowledging the aggressiveness of the cash-and-carry warehouse chains.

"The warehouse club phenomenon is more than a minor factor," says the NAW's Ron Schreibman. "Grocery is one of the areas they're expanding in. But some distributors are fighting back."

THE CHANGING FACE OF FOODSERVICE DISTRIBUTION

1986	Kent, Wash.-based Food Services of America, now one of the nation's regional giants, with 1990 sales expected to approach $700 million, is created by the merger of Miller Cascade Foods and Pacific Gamble Robinson Co.
1987	North American Foodservice, a Chicago-based distributor buying and marketing group, merges with the New Jersey-based National Alliance Distributing Co. Only six months later the surviving group combines with Atlanta-based Nifda to form the 135-member ComSource Independent Food Service Inc., with sales projected to pass $7 billion by 1990.
1988	Kraft Foodservice is bought by Philip Morris and merged into a group with General Foods called KGF Commercial Products, capping years of aggressive acquisition that will result in Kraft's becoming the nation's No. 2 foodservice distributor, with more than $3 billion in sales in 1990.
1988	Sysco Corp., the nation's largest foodservice distributor, grows even mightier with the acquisition of CFS Continental. The wholesale giant services 225,000 accounts from more than 100 distribution centers and boasts more than $7 billion in volume for 1990.
1989	Impressed by Walmart's results with Sam's Wholesale Club, K mart buys PACE Membership Warehouse, a 50-unit wholesale club based in Aurora, Colo. At the same time K mart buys the remaining 49 percent of Macro Inc., a club concept based in Cincinnati, and begins merging the two. By August 1990 there will be 59 PACE units operating in 16 states.
1990	Industry observers predict there will be 15 percent to 25 percent fewer foodservice distributors operating by 1995. That means 2,250 to 2,650 wholesale firms compared with 3,000 companies in 1990. Continuing national and regional consolidation, through mergers and acquisitions, is the cause.

A Smart & Final unit, of which there are 107 in California, Nevada and Arizona.



Above: Leland Johnson of Sam's Wholesale Clubs displays a case of chicken wings from the freezer section. Right: Chuck Smith stacks #10 cans of green beans at PACE Membership Warehouse.

WHO'S WHO IN CASH & CARRY WHOLESALE

Company/headquarters	Territory	Stores	Plans
Sam's Wholesale Club Bentonville, Ark.	National	130	Expand Bakery/Produce; Continued Market Growth
Smart & Final Los Angeles	Calif., Nev.	112	Move to Ariz.; Add 8-12 New Units a Year
Costco Wholesale Corp. Kirkland, Wash	West; Fla.	62	Build Bakery/Produce; Move to Mass., Northeast
PACE Membership Warehouse Aurora, Colo.	National	59	Expand Bakery/Produce; Grow Institutional Sales
Price Club San Diego	West, Northeast	50	Move to Denver; Packaged Meat/Produce/Bakery Push
BJ's Wholesale Club Natick, Mass.	Northeast	24	Expand to Pa., Va.; Add Products by Market
Gordon Food Service Grand Rapids, Mich.	Midwest	20	Controlled Growth; More High-Volume Basics
Price Savers Salt Lake City	West	15	Existing Market Growth; Expand Restaurant Lines

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NRN Photo

Boise booms

Philip Neville of Ducks, here showing off some dishes on a pile of mesquite, is betting an economic boom in Boise, Idaho, will power sales at his Ducks restaurant past $1 million this year. But others are facing new labor shortages and increased competition as restaurants crowd into the market. ***(For full report, see page 7.)***

Operators vie to repeal Fla. drink tax

New law blasted for exempting supermarkets, liquor stores

by Peter Romeo

TALLAHASSEE, Fla. — Infuriated by the bookkeeping headaches of a new drink tax levied solely on restaurants and bars, operators throughout the state are hammering lawmakers to reconsider the law they passed so hastily just a few weeks ago.

Industry leaders expressed hope that the legislators would repeal rather than amend the month-old tax, thereby removing the price disadvantage that was imposed on eating and drinking places. Liquor stores, supermarkets and convenience stores were exempted from the charge, enabling them to hold their alcohol prices while restaurant and tavern operators were raising theirs.

The new measure comes at a time when several other states — including California and New York — as well as the federal government are eyeing new liquor taxes to raise revenues.

In Florida restaurants and taverns must pay 10 cents for every ounce of liquor or 4 ounces of wine that they sell. The fee is four cents for every 12 ounces of beer.

Restaurants and taverns are expected to pass along the charge to their patrons, who already pay a 6-percent sales tax.

(See FLORIDA, page 69)

NRN launches balloting for Operator of Year

Nation's Restaurant News has opened voting for the prestigious Multi-Unit Food Service Operator of the Year Award.

A mail-in ballot follows page 32 of this week's issue of NRN.

NRN subscribers can vote for the executive of their choice by filling in the postage-paid reply-card ballot. The ballot will appear also in next week's issue.

Each of the six candidates is already a winner of the Golden Chain award for demonstrating extraordinary leadership in multi-unit operations.

The Golden Chain honors are bestowed annually by Nation's Restaurant News, but the Operator of the Year is chosen by NRN subscribers, who represent the industry's leading decision-makers.

Past winners of the MUFSO Operator of the Year Award have included Warren Rosenthal of Long John Silver's Seafood Shoppes, Frank Carney of Pizza Hut, James McLamore of Burger King,

Norman Brinker of Steak & Ale (at the time), Carl Karcher of Carl's Jr., Robert Barney of Wendy's, Jack Laughery of Hardee's and Joe Lee of Red Lobster, last year's winner.

Both the Golden Chain and Operator of the Year Awards will be presented at a gala banquet during NRN's Multi-Unit Food Service Operators Leadership Conference in Los Angeles Sept. 30 to Oct. 3 at the Century Plaza Hotel.

More than 1,000 foodservice executives and suppliers are expected to attend this year's three-day whirl of seminars, presentations and discussions. For more information on the conference, contact NRN MUFSO coordinator Coleen Harte (212) 371-9400, Ext. 319 or 498.

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School food directors rally against budget cuts

by Carolyn Walkup

NEW ORLEANS — An optimistic resolve to win the fight to improve school lunch and breakfast programs at a time of federal budget cutting and taxpayer resistance permeated the 44th annual national conference of the American School Food Service Association at the New Orleans Convention Center.

"This is the start of a political struggle for school lunch. You must have a presence in Washington that makes sense so that legislators know they are accountable," advised keynote speaker John Robert Kramer. Kramer, now dean of the Tulane School of Law, was a pioneer in the movement to eradicate hunger in the United States and drafted most food-stamp legislation from 1968 to 1981 when he was executive director of the National Council on Hunger and Malnutrition.

The cost of bailing out the savings and loan industry could pay for 100 years of child nutrition programs, Kramer said. He warned the audience to watch Congress closely because of the dangers that further budget cuts in school food-

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